

Message Text

UNCLASSIFIED

PAGE 01 COPENH 01598 121614Z

45

ACTION AID-59

INFO OCT-01 ADP-00 EUR-06 EB-05 IGA-02 AIDE-00 INR-10 EA-07

L-03 CIAE-00 DODE-00 /093 W

----- 065591

R 121448Z JUL 73

FM AMEMBASSY COPENHAGEN

TO SECSTATE WASHDC 7295

USMISSION OECD PARIS

UNCLAS COPENHAGEN 1598

AIDAC ADCOR

E.O. 11652 N/A

TAGS: OECD AID DA

SUBJ: OECD/DAC ANNUAL AID REVIEW - DENMARK

REF: A) STATE 121753; B) DAC/AR(UE)2/05

1. NO PARTICULARLY NOTABLE DEVELOPMENTS HAVE OCCURRED IN DANISH AID POLICIES AND PROGRAMS. THE LIMITED CUTS IN AID PROGRAMS, WITHIN OVERALL BUDGETARY AUSTERITY, MAY INCREASE LAGS IN PROGRAM IMPLEMENTATION AND, TO A LESSER EXTENT, REDUCE ACTUAL AID LEVEL. ON SPECIFIC QUESTIONS IN REF B, THE FOLLOWING COMMENTS ARE OFFERED:

2. QUESTION II.1. WITH THE DOMESTIC ECONOMY BEGINNING TO OVERHEAT AND BALANCE OF PAYMENTS LIKELY TO BE IN HEAVY DEFICIT, POLITICAL PRESSURES TO REDUCE PUBLIC SPENDING ARE STRONG. PRIORITY EFFORTS ARE TO UTILIZE TO MAXIMUM POSSIBLE, ALREADY LIMITED RESOURCES FOR EXPANSION OF PRODUCTION APPARATUS. WHILE FOREIGN AID HAS NOT BEEN UNDER DIRECT ATTACK, CLIMATE IS NOT SUCH TO PERMIT ANY EXCEPTION FOR AID IN OVERALL EFFORTS TO REDUCE PUBLIC SPENDING. WE WOULD EXPECT NECESSITY FOR BUDGETARY AUSTERITY TO REMAIN FOR SEVERAL YEARS.

3. QUESTION II.2. THE DETERIORATING PUBLIC OPINION TOWARDS FOREIGN AID QUOTED REF B APPEARS IN LARGE PART SIMPLY BOREDOM

UNCLASSIFIED

PAGE 02 COPENH 01598 121614Z

WITH SUBJECT RATHER THAN ACTUAL NEGATIVE ATTITUDE. STILL, RENEWED

PROSELYTIZING CAMPAIGN IS NOT LIKELY AND WOULD BE CONSIDERED
UNTIMELY IN VIEW OF CURRENT EFFORTS TO REDUCE PUBLIC SPENDING.

4. QUESTION IV.3. ACCORDING TO PRESENT PROGRAMMING, DANISH
AID TO NORTH AND SOUTH VIETNAM WILL INCLUDE THE
FOLLOWING ELEMENTS:

A) NORTH VIETNAM. GRANT AID:
15-20 MILLION KRONER
(\$2.5 - 3.5 MILLION) FOR PROCUREMENT
IN DENMARK OF SPARE PARTS FOR CEMENT
MANUFACTURING.
LOAN: 135 MILLION KRONER (\$22.5 MILLION)
FOR PRUCUREMENT IN DENMARK OF CEMENT
MANUFACTURING MACHINERY.

B) SOUTH VIETNAM.
GRANT AID: 15 MILLION KRONER (\$2.5 MILLION)
FOR BUILDING MATERIALS TO REFUGEES.
LOAD: 40 MILLION KRONER (\$6.7 MILLION) FOR
PROCUREMENT IN DENMARK OF REFRIGERATION
AND DRYING EQUIPMENT AND EQUIPMENT FOR
POWER AND WATER SUPPLY IN RURAL DISTRICTS.

C) IN ADDITION, DENMARK OFFERS THE "PROVISIONAL REVOLUTIONARY
GOVERNMENT" IN SOUTH VIETNAM AN AMOUNT OF 12 MILLION
KRONER (\$2 MILLION) FOR FISHING GEAR, FERTILLIZER, FARM
IMPLEMENTS AND HOSPITAL EQUIPMENT.

D) THE GRANTS TO NORTH AND SOUTH VIETNAM ARE NOT LARGE ENOUGH TO
MATERIALLY AFFECT THE VOLUME OF AID TO TRADITIONAL RECEIPIENTS.
DEVELOPMENT LOAN DISBURSEMENTS USUALLY SHOW CONSIDERABLE LAGS
AND LOANS TO THE VIETNAMS MAY BE ABOSORBED IN THE SCHEDULED LOAN
PROGRAM OVER THE NEXT SEVERAL YEARS. DANES HAVE INDICATED
PREFERENCE FOR BILATERAL PROGRAMS IN VIETNAMS AND HAVE SHOWN
NO INTEREST IN INTERNATIONAL CONSORTIA. THEY HAVE INFORMAL
CONSULTATION MECHANISM WITH OTHER SCANDINAVIAN COUNTRIES TO
AVOID DUPLICATION OF AID PROJECTS IN THE AREA.

5. QUESTION V.1. THE DECLINE IN EXPORT CREDITS HAS NO RELATION
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 COPENH 01598 121614Z

TO THE ACTUAL DEVELOPMENT IN DANISH EXPORTS TO DEVELOPING
COUNTRIES, WHICH FROM 1971 TO 1972 SHOWED AN INCREASE FROM
APPROXIMATELY 2.5 MILLION KRONER TO APPROXIMATELY 2.9 MILLION
KRONER.
DUNNIGAN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 12 JUL 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973COPENH01598
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: COPENHAGEN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730738/aaaabcax.tel
Line Count: 112
Locator: TEXT ON-LINE
Office: ACTION AID
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 73 A) STATE 121753; B) DAC/AR(UE)2/0, 5
Review Action: RELEASED, APPROVED
Review Authority: kellerpr
Review Comment: n/a
Review Content Flags:
Review Date: 04 DEC 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04-Dec-2001 by thomasv0>; APPROVED <07-Jan-2002 by kellerpr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: OECD/DAC ANNUAL AID REVIEW - DENMARK
TAGS: EAID, DA, OECD
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005